

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 8421

IN THE MATTER OF:

Served November 17, 2004

JOHN CARMIN CADET, Trading as)
RELIABLE TRANSPORTATION, Suspension)
and Investigation of Revocation of)
Certificate No. 735)

Case No. MP-2004-128

This matter is before the Commission on respondent's response to Order No. 8259, served September 7, 2004, which directed respondent to verify compliance with Order No. 8134, served July 1, 2004, which commanded respondent to cease transporting passengers for hire under Certificate No. 735.

Under the Compact, a certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.¹ Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 735 for a minimum of \$1.5 million in combined-single-limit liability coverage and maintain on file with the Commission at all times proof of coverage in the form of a WMATC Certificate of Insurance and Policy Endorsement (WMATC Insurance Endorsement) for each policy comprising the minimum.

Certificate No. 735 became invalid on July 1, 2004, when the \$1.5 million WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 8134 noted the automatic suspension of Certificate No. 735 pursuant to Regulation No. 58-02, directed respondent to cease transporting passengers for hire under Certificate No. 735, and gave respondent thirty days to replace the expired endorsement or face revocation of Certificate No. 735. Respondent submitted a \$1.5 million replacement endorsement on August 12, 2004. The effective date of the new endorsement is July 20, 2004. This means that respondent was without insurance coverage for nineteen days, from July 1, 2004, through July 19, 2004.

Order No. 8259 gave respondent thirty days to furnish proof of having ceased operations as of July 1, 2004. Inasmuch as respondent's only tariff is for service rendered to clients of the District of Columbia Department of Health, Medical Assistance Administration, (DC Medicaid), such proof was to include confirmation from DC Medicaid.

¹ Compact, tit. II, art. XIII, § 7(g).

On September 30, 2004, the Commission received a statement from DC Medicaid that, as of that date, respondent had not submitted any claims for service rendered on or after July 1, 2004, but the Commission has yet to receive any statement from respondent himself. Without respondent's sworn affirmation,² the statement from DC Medicaid leaves open the possibility that respondent merely ceased billing for service rendered to DC Medicaid clients without terminating the service itself.³

A person who knowingly and willfully violates a provision of the Compact, or a rule, regulation, requirement, or order issued under it, or a term or condition of a certificate shall be subject to a civil forfeiture of not more than \$1,000 for the first violation and not more than \$5,000 for any subsequent violation; each day of the violation constitutes a separate violation.⁴ The Commission may suspend or revoke all or part of any certificate of authority for willful failure to comply with a provision of the Compact, an order, rule, or regulation of the Commission, or a term, condition, or limitation of the certificate.⁵

Respondent shall have thirty days to show cause why the Commission should not assess a civil forfeiture against respondent, and revoke Certificate No. 735, for violating, and otherwise failing to comply with, Regulation No. 58 and Order No. 8259.

THEREFORE, IT IS ORDERED:

1. That respondent shall have thirty days to show cause why the Commission should not assess a civil forfeiture against respondent for knowingly and willfully violating Regulation No. 58 and Order No. 8259.

2. That respondent shall have thirty days to show cause why the Commission should not revoke Certificate No. 735 for respondent's willful failure to comply with Regulation No. 58 and Order No. 8259.

² See Commission Rule No. 4-06 (statements of fact must be under oath); Rule No. 28 (compliance report must be under oath).

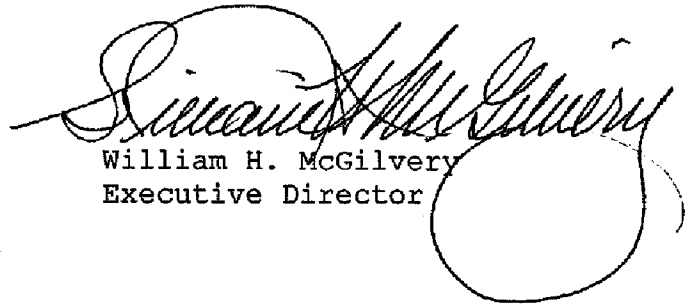
³ See In re Madison Limo. Serv., Inc., No. AP-91-39, Order No. 3891 (Feb. 24) (continuation of certificated operations at no charge held to be "transportation for hire") (citing Order No. 3810 at 6; Unique Freight Lines Co. v. White Tiger Transp. Co., 618 F. Supp. 216 (S.D.N.Y. 1985)), aff'd on reconsideration, Order No. 3914 (Mar. 25, 1992).

⁴ Compact, tit. II, art. XIII, § 6(f).

⁵ Compact, tit. II, art. XI, § 10(c).

3. That respondent may submit within 15 days from the date of this order a written request for oral hearing, specifying the grounds for the request, describing the evidence to be adduced and explaining why such evidence cannot be adduced without an oral hearing.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES, MILLER, AND GUNS:



William H. McGilvery
Executive Director